

**FINDING OF NO SIGNIFICANT IMPACT  
AND  
DECISION RECORD**

**CO-WRFO-03-055-FONSI/DR**

**Reference:** Environmental Assessment Record CO-WRFO-03-055-EA, APDs Oil Wells #1002, 1003, 1004, 1005, 1007, 1008, & 1009, Department of the Interior, Bureau of Land Management, White River Field Office, July 16, 2003

**Finding of No Significant Impact:** The Bureau of Land Management (BLM) has determined that El Paso Production Oil and Gas Company's proposed action, to drill oil Wells #1002, 1003, 1004, 1005, 1007, 1008, and 1009 and construct associated access roads and pipelines will not have significant impact on the human environment. Therefore, an environmental impact statement (EIS) is not required. BLM's determination is based on the analysis of the potential environmental impacts from this action contained in the Environmental Assessment (EA) CO-WRFO-03-055-EA (see Appendix A for more detail), and consideration of comments received during a 30-day public review of this EA. BLM responses to public comments can be found in Appendix B of this decision document. BLM's determination also relies on and adopts the BLM standard practices applied to surface-disturbing activities, and the additional environmental protection measures identified in Appendix C (Conditions of Approval) of this decision document.

**Decision Record and Rational:** It is BLM's decision to approve the development of Wells #1002, 1003, 1004, 1005, 1007, 1008, and 1009 as described in the proposed action and applications for permits to drill, with mitigation outlined in the attached conditions of approval. This action is consistent with decisions contained in the White River Record of Decision/Approved Resource Management Plan (ROD/RMP) approved July 1, 1997. The White River ROD/RMP allows for oil and gas leasing and development within this portion of the resource area, with stipulations and conditions of approval to protect other resources.

As addressed in the EA, this action will impact wild horses. However, with implementation of the conditions of approval/lease stipulations that require the applicant to make range enhancements to mitigate lost habitat, this impact will be minimal (see Appendix A for more detail).

The EA also recognizes that the proposed action will occur within, and impact potential wilderness character of the Big Ridge Conservationists Wilderness Proposal (CWP) area. However, the White River ROD/RMP does not specify that this area will be managed for wilderness potential (as it does for the six wilderness study areas within the resource area). Wilderness-related management decisions in the ROD/RMP are based on the findings of the BLM Colorado State Office Wilderness Study Report, Statewide Overview, Record of Decision (ROD), approved by the Secretary of the Interior on October 18, 1991. Volume 1 of this report is The Craig District Study Areas (White River, Kremmling, and Little Snake Resource Areas)

Wilderness Study Report. As part of the study, documented in the Craig report, Big Ridge was analyzed and found not to have qualities needed to be designated as a wilderness study area (WSA). Since Big Ridge was not designated as, or included in a WSA, BLM may administer the subject lands for other purposes, including the approval of drilling for oil and gas.

In the EA, BLM considered, and analyzed an alternative to directionally drill Well #1003 from the previously developed location for Well #1000. Federal regulations allow the authorized officer to impose reasonable, site-specific conditions of approval to the extent they are consistent with those rights conveyed by the lease and any stipulations attached thereto. However, "...measures shall be deemed consistent with lease rights granted provided they do not: require relocation of proposed operations by more than 200 meters." (see 43 CFR 3101.1-2), and the Well #1000 location is approximately 400 meters from the proposed #1003 location. Since the EA did not identify any major difference between the impacts of the directional alternative and the proposed action, there is no justification for BLM to attempt to impose or negotiate a move exceeding that allowed by regulation.

BLM allowed interested members of the public 30 days to review and provide comments on the EA. This public involvement in the agency's National Environmental Policy Act (NEPA) procedures is addressed in 43 CFR 1506.6. Before making its decision of approval, BLM considered all comments received during the review period. BLM responses to public comments can be found in Appendix B of this decision document.

**Administrative Review and Appeal:** This decision is subject to administrative review in accordance with 43 CFR 3165. Any request for administrative review of this decision must include information required under 43 CFR 3165.3(b) (State Director Review), including all supporting documentation. Such a request must be filed in writing with the State Director, Bureau of Land Management, 2850 Youngfield Street, Lakewood, Colorado 80215. The request for administrative review must be filed within 20 business days of the date this Decision Record is received or considered to have been received.

Any party who is adversely affected by the State Director's decision may appeal that decision to the Interior Board of Land Appeals, as provided in 43 CFR 3165.4.

---

Kent E. Walter  
Field Manager  
White River Field Office

---

Date:

**Appendices:**

Appendix A: FONSI Determination Rationale

Appendix B: BLM Responses to Public Comments

Appendix C: Conditions of Approval

## Appendix A: FONSI Determination Rationale

Factors Considered	Potential Impact	Rationale
Wild Horses	<p>The proposed action would prevent horses from using the immediate area, thus reducing usable winter range of the East Douglas horses by 20% (6,000 acres of 30,000 acres within the East Douglas portion of the Herd Management Area (HMA)). Currently, approximately 10 horses use this area during the four winter months. If these wells are successful, an infill development program will likely follow. The expected outcome would be confinement of horses to the south of the area of the proposed action. The loss of range is also expected to force horses south increasing their density there, and thus increasing pressure on forage and water sources. Since the southern boundary of the HMA is not fenced, displaced horses will likely continue to move south, outside of the HMA.</p>	<p>The applications for permits to drill (APDs) for all wells in the proposed action specified that these are “Wildcat” or exploratory wells. Should they <i>not</i> produce economically viable product (as happened with a recently drilled well, Well #1000, in this area), development activity will be limited, all sites will be reclaimed, and there will be no long-term loss of range to wild horses, or need for mitigation.</p> <p>Should the wells prove successful, then BLM must consider implementation of the proposed mitigation to have the applicant make range enhancements to provide for lost wild horse habitat. This mitigation is required by stipulations on the applicant’s federal leases. Range enhancements would be performed in a portion of the herd management area (HMA) adjacent to the area of the proposed action to provide necessary habitat for the wild horses that currently use the affected area. With this mitigation, the needs of wild horses would be met within the HMA, and potential for displacement outside the HMA boundary will be minimal.</p> <p>Should some of the wells produce, and others not produce oil, the applicant will reclaim the disturbance on non-producing wells. Thus mitigation may only be required for impacts from producing wells. In addition, field development will be shaped by the success or failure of these exploratory wells. Thus, more information is required in order to determine actual impacts and need for mitigation. BLM will make this determination, and analyze impacts of necessary range enhancements when the applicant reports on the status of the wells.</p>

<b>Factors Considered</b>	<b>Potential Impact</b>	<b>Rationale</b>
Conservationists' Wilderness Proposal	The proposed road and pad construction would directly affect the potential wilderness character of approximately 65 acres of the Big Ridge Conservationists' Wilderness Proposal (CWP) area. This disturbance to potential wilderness character may also extend far beyond the directly affected corridors	This EA is tiered to, and incorporates by reference the White River ROD/RMP. The ROD/RMP identified the area of the proposed action as being available for oil and gas leasing and development. The wilderness decisions in the ROD/RMP were based on the findings of the BLM Colorado State Office Wilderness Study Report, Statewide Overview, Record of Decision (ROD), approved by the Secretary of the Interior on October 18, 1991. Volume 1 of this Report/ROD is the Craig District Study Areas (White River, Kremmling, and Little Snake Resource Areas) Wilderness Study Report. Big Ridge was not among the areas designated as wilderness study areas (WSAs) in the statewide Report/ROD. This ROD was based on 15 years of study and analysis by BLM, which included a Final EIS approved by the Colorado BLM State Director in November 1990. Since Big Ridge was not included in a WSA BLM may administer the subject lands for other purposes, including the approval of drilling for oil and gas.
Air Quality	Fugitive Dust from Construction Activity	Few or no people or other resources are likely to be affected by this minor and temporary impact. Implementation of the mitigation (use of water to control fugitive dust) will further minimize this impact.
Cultural Resources	Isolated Find 5RB 4591 will be destroyed by the construction of the access road to Well #1003. Well #1008 will be in close proximity to historic wagon road 5RB 4665	Isolated Find 5RB 4591 consists of a projectile point fragment and flake. An isolated find is not eligible for the National Register of Historic Places. Loss of these minor artifacts would not be significant in any context.  The change to the location or the proposed well pad and access road for Well #1008 will avoid any impact to the historic wagon road. This location change is within the authority granted to BLM by 43 CFR 3101.1-2.

Factors Considered	Potential Impact	Rationale
Water Quality and Soils	Impacts associated with the proposed action would include loss of topsoil, soil compaction and a possible increase in sediment loads to the White River. Reduced water quality could result from erosion of sediment and salt off roads, drill pads, and pipeline routes, and piping or rill erosion where well pads and roads are exposed to climatic elements.	All proposed wells, except for #1008, will be located within ephemeral drainages. The sediment and salt run-off from the wells and infrastructure within these drainages will likely be minimal, unless there is a rare and extreme storm resulting in a 100-year flood event. A sufficient distance will exist (200 feet) between Well #1008's development and Douglas Creek to preclude the deposition of any fill material or other adverse impacts to this drainage. The Conditions of Approval/best management practices are designed to minimize impacts in the rare event of an extreme storm/100-year flood.
Access and Transportation	Once existing roads are upgraded, new access roads are built, and pipelines are installed, it is likely that recreational motorized use will increase.	The majority of access to the proposed development will be from improved existing roads where recreational motorized use is already allowed. The proposed new access roads are primarily short routes to allow access to well pads from the existing roads. The exceptions are Wells #1003 and 1008, which will require slightly longer access (cumulatively less than a mile for both wells). The limited length of these newly constructed roads would not provide potential for a substantial increase in recreational motorized traffic.

## Appendix B: BLM Responses to Public Comments

BLM invited the public to review and comment on Environmental Assessment Record CO-WRFO-03-055-EA, APDs Oil Wells #1002, #1003, #1004, #1005, #1007, #1008, & #1009. The intention of this public review was to involve interested members of the public in agency NEPA procedures, as required by 43 CFR 1506.6. The review/comment period began on July 16 and ended on August 16, 2003. During this time BLM received five comment letters identifying concerns about the proposed action and EA. Some of these concerns are addressed in Appendix A of this decision document. BLM's responses to concerns not addressed in Appendix A, are organized by major issue, and listed below.

### 1. ISSUE: Wild Horses.

*Concern:* We strongly recommend the reduction or elimination of livestock grazing to offset the loss of wild horse winter range.

*Response:* Forage allocation issues are not germane to the proposed action. The impact from the proposed action is primarily one of spatial distribution. The real concern is that a productive oil field will limit wild horse distribution to areas south of the field. This is the impact that the proposed range enhancements are intended to mitigate. Livestock distribution will not be affected. The forage within the project area will continue to exist, and livestock will continue to graze the area in accordance with the allocations specified in the White River ROD/RMP, and the Cathedral Bluffs Allotment Management Plan (BLM, White River Field Office, January 23, 2001).

*Concern:* Will these particular sites impact foaling areas? What is the seasonal movement of this herd and individual bands? Where are the current monitoring and inventorying data required by law?

*Response:* The potential for wild horses to foal in the area of the proposed action is low, since the horses normally use this area during the winter months, and outside of the peak foaling period (March 1 to May 1). In the fall of 2002, BLM conducted a gather operation in the Piceance-East Douglas HMA to retain wild horse numbers and maintain a thriving natural ecological balance. BLM prepared an environmental assessment/gather plan (CO-WRFO-02-049-EA, FONSI/DR signed 7-18-03) for this gather which contains the data held by BLM with regard to the Piceance-East Douglas herd and their habitat. No additional data has been compiled since that time. This information is available at the BLM White River Field Office.

*Concern:* It is proposed that development activities may be delayed during the period March 1 to May 1 [two months] for wild horses foaling. If you have ever been on a wild horse range you know that wild horses foal regularly as late as June, and occasionally into late summer and early fall. Delaying development activities until May 1 is inadequate. BLM's own

processing sheets during removals indicate that foaling season is much longer than that time frame.

*Response:* The March 1 to May 1 stipulation was established by the White River RMP/ROD. Re-addressing issues related to ROD/RMP decisions is beyond the scope of this EA.

## **2. ISSUE: Relationship to West Douglas Herd Area Amendment**

*Concern:* BLM must consider a cumulative impact analysis of adverse impacts to both the West and East Douglas Herd Areas. The overall reduction in range and forage due to the increased oil and gas development must be assessed prior to additional leasing or development. Literally a stone's throw away, across Highway 139, BLM is currently involved in a NEPA planning process regarding the West Douglas Herd Area, where the horses are being displaced by rampant energy development. The issues raised in this on-going process for West Douglas Herd Area (WDHA) are intricately connected and directly related to the issues surrounding wild horses in the subject EA.

*Response:* BLM's WDHA planning process involves the similar issue of oil and gas development impacting distribution of wild horses, but it is a different situation. The difference is that oil and gas leases in the Piceance-East Douglas Herd Management Area (HMA) have stipulations intended to mitigate impacts to wild horses. Leases in the WDHA do not contain these stipulations. The lands in the area of the proposed action in East Douglas were leased for oil and gas development, in accordance with, and with stipulations imposed by the White River ROD/RMP. The ROD/RMP specifies that BLM will manage wild horses in the East-Douglas Piceance Herd Management Area (HMA). The EIS for the ROD/RMP identified potential impacts from oil and gas development to wild horses within the HMA and therefore the ROD/RMP specifies lease stipulations to allow for mitigation of these impacts. This is not the case for the WDHA. The ROD/RMP calls for the total removal of wild horses from the WDHA by 2007. Since horses are to be removed, no mineral lease stipulations were identified. Without these stipulations/mitigation, oil and gas development in the WDHA has caused wild horses to disperse outside the herd area. BLM is currently considering an amendment to the ROD/RMP that may allow for management of wild horses in the WDHA. Such an amendment will have to consider impacts of oil and gas development, and potential lease stipulations.

## **3. ISSUE: Conservationists' Wilderness Proposal (CWP)**

*Concern:* The CWP constitutes significant new information that the agency must consider and account for prior to irretrievably committing the area for drilling. BLM fails to consider any alternatives – such as buying back the leases or requiring directional drilling for all wells within the CWP area – that could protect Big Ridge's wilderness character. To demonstrate it has considered “all practicable means...to avoid or minimize impacts,” BLM should develop at least one action alternative that maintains and protects the potential wilderness of Big Ridge. The current EA fails to look at any meaningful alternatives, developing only one that requires one well be directionally drilled, but allows for five new well pads within the

proposed wilderness. The current National Energy Policy states that “Enormous advances in technology have made oil and natural gas exploration and production both more efficient and more environmentally sound. Better technology means fewer rigs, more accurate drilling, greater resource recover and environmentally friendly exploration. High-tech drilling allows us to access supplies five to six miles away from a single compact drilling site, leaving sensitive wetlands and wildlife habitats undisturbed.” The project constitutes a certain irretrievable and irreversible loss of potential wilderness lands that have never been properly accounted for in a land use planning document. Until such time as these resources are adequately considered, BLM should not allow this project to proceed. The project thus constitutes a certain irretrievable and irreversible loss of potential wilderness lands that have never been properly accounted for in a land use planning document. Until such time as these resources are adequately considered, BLM should not allow this project to proceed.

*Response:* There is no policy to direct the BLM to disallow non-discretionary surface disturbing activities, such as oil and gas drilling operations, in CWP areas. For more discussion of Big Ridge wilderness potential consideration and land use planning documents, see Appendix A of this decision document. Since Big Ridge was not included in a WSA as part of the BLM Colorado State Office Wilderness Study Report, Statewide overview, Record of Decision (October 18, 1991), BLM may administer the subject lands for other purposes, including the approval of drilling for oil and gas. The Interior Board of Land Appeals has upheld this determination in several cases, most recently in Southern Utah Wilderness Alliance, 158 IBLA 212. While the proposed action directly impacts the wilderness potential of 65 acres, and indirectly impacts potential for an area slightly larger, it does not impact the potential on the rest of the Big Ridge CWP area, which totals almost 25,000 acres. The only ways to totally protect the wilderness potential within the area of the proposed action would be to not allow the proposed development, or to directionally drill the wells from outside of the CWP. Neither of these is a viable option. Since BLM leased the area to the applicant for oil and gas development, the agency is obligated to allow the applicant to develop their lease. This is non-discretionary. In addition, the oil and gas leases which encumber the subject lands do not preclude surface occupancy. Federal regulations allow the authorized officer to impose reasonable, site-specific conditions of approval to the extent they are consistent with those rights conveyed by the lease and any stipulations attached thereto. However, “...measures shall be deemed consistent with lease rights granted provided they do not: require relocation of proposed operations by more than 200 meters; require that operations be sited off the leasehold; or prohibit new surface disturbing operations for a period in excess of 60 days in any lease year” (see 43 CFR 3101.1-2). Requiring a move to a location outside the proposed wilderness boundary or to an existing well pad would be inconsistent with this regulation and is not a reasonable alternative.

#### **4. ISSUE: Compliance with Council on Environmental Quality (CEQ) Regulations and Guidance.**

*Concern:* NEPA analysis must “...present the environmental impacts of the proposed [action] and alternatives in comparative form, thus sharply defining the issues and providing a clear basis for choice among options by the decision maker and the public” (40 CFR 1502.14)



*Response:* This portion of the CEQ Regulations pertains to preparation of an Environmental Impact Statement (EIS) not an EA.

*Concern:* Unless mitigations are fully integrated into the project, and demonstrably effective and enforceable as part of existing regulations, mitigations cannot free BLM from its obligation to prepare an EIS. “As a general rule, the regulations contemplate that agencies should use a broad approach in defining significance and should not rely on the possibility of mitigation as an excuse to avoid the EIS requirement”(“Forty Most Asked Questions Concerning CEQ’s National Environmental Policy Act Regulations,” CEQ, 1981).

*Response:* Mitigation proposed in the EA was brought forward into the Conditions of Approval for the APDs. The applicant is legally bound to comply with the Conditions of Approval by 43 CFR 3101.1-2.

*Concern:* At least three measures of intensity, as outlined by CEQ Regulations, apply and require preparation of an environmental impact statement: The Canyon Pintado National Historic District and the Big Ridge Proposed Wilderness are “Unique characteristics of the geographic area such as proximity to historic or cultural resources...” (40 CFR 1508.27(a)(3); [the action constitutes a] substantial intrusion into a natural, roadless landscape...and “the degree to which the action may establish a precedent for future actions with significant effects or represents a decision in principle about a future consideration” (40 CFR 1508.27(a)(6); and given the growing public interest in wilderness, the broad and growing support for the CWP, the federal legislation that has been introduced to protect this area, and increasing, well-publicized concern about and interest in energy development across the region, the project is undoubtedly controversial.

*Response:* The White River ROD/RMP allows for oil and gas development in the Canyon Pintado National Historic District. Proximity of such development to this area was analyzed in the EIS for the ROD/RMP. The ROD/RMP also allowed for oil and gas development in the Big Ridge area which is now part of the CWP. Since the EA incorporates by reference, and is tiered to the ROD/RMP EIS, a new EIS is not warranted.

*Concern:* It is imperative an Environmental Impact Statement be completed because...all oil and gas activity, livestock impacts, and wilderness values need to be coordinated to ensure preservation and protection for wild horses and their habitat. This has not been adequately addressed in the 1996 RMP/ROD.

*Response:* This concern constitutes a challenge to the White River ROD/RMP and its associated EIS. Re-addressing decisions in the RMP is beyond the scope of this EA.

*Concern:* “In certain limited circumstances...the agency shall make the finding of no significant impact available for public review...for 30 days before the agency makes its final

determination whether to prepare an environmental impact statement and before the action may begin” (40 CFR 1501.4(e)(2)).

*Response:* BLM made the EA available for public review in accordance with 43 CFR 1506.6(b). The proposed action does not meet the criteria for application of 40 CFR 1501.4(e)(2) which requires a 30 day public review of the finding of no significant impact. 1501.4(e)(2) states that certain circumstances are necessary for this requirement:

- (i) The proposed action is, or is closely similar to one which normally requires the preparation of an environmental impact statement under the procedures adopted by the agency”
- (ii) The nature of the proposed action is one without precedent.

The proposed action is neither of these. It is not on, or similar to any action on BLM’s list of actions that normally require preparation of and environmental impact statement (Department of the Interior Manual 516 DM 6). Since the White River ROD/RMP allows for oil and gas in this area, the proposed action is also not without precedent.

## **5. ISSUE: Water Quality.**

*Concern:* The EA fails to adequately consider impacts to water quality...The State of Colorado already believes that water quality is being impaired in this watershed [Lower White] due to sediment and salinity loads. That being said, the BLM does not indicate whether or not water quality standards for the Lower White River are currently being met and/or whether the location of seven wells will exacerbate the watershed’s water quality problems for sediment and salinity.

*Response:* The Lower White River and specific tributaries to the White River are listed in the 303(d) list, “Colorado 2002 Monitoring and Evaluation List” (2002 M & E List), developed by the State Water Quality Control Division for compliance with Section 305(b) of the Clean Water Act. The State has identified these segments in the watershed where sediment transport may be a problem. These segments were previously listed in the 1989 Nonpoint Source Report, which was carried forward to the 1998 M & E List and now to the 2002 M & E List. The State plans to collect data on the Lower White River to determine if Total Maximum Daily Loads (TMDLs) should be assigned to the watershed. None of the specific drainages impacted by the proposed action are in these drainages identified by the State Water Quality Control Division. Standards developed by the State were published in a document entitled “Classification and Numeric Standards for Lower Colorado River Basin.” This document does not indicate that the White River has exceeded any of the State standards.

*Concern:* At a minimum, the BLM must estimate the number of cubic yards of sediment loading (including salt loading) that will result from each alternative in the Lower White River watershed...The BLM must document the types of pollution existing in the Lower White River, and identify where and how the pollution is entering waterways in the region.

*Response:* Sediment yield is defined as the average annual amount of sediment transported by water from source areas into local watercourses. Soil erosion cannot be directly converted to sediment yields because soil loss calculations do not account for deposition of material prior to its entrance into perennial watercourses. In semiarid areas, several years may pass before sediment is transported to local watercourses. An intense storm has the ability to erode upstream sediment deposited over a five to 10 year period in one event. Consequently, the area's sediment yield is quite variable and a function of both natural conditions and land use practices; including soil disturbance associated with construction of well pads, roads, and pipelines as well as the implementation of Best Management Practices (BMPs) designed to retard sediment yield.

*Concern:* The agency must also analyze compliance with the CWA procedures for crossing jurisdictional waterways of the United States under Section 404 of the CWA.

*Response:* Compliance and consistency with the state Nonpoint Source Management Plan, state water quality standards, and the Clean Water Act (CWA) is mandatory. The CWA places responsibility for protecting water quality with the states and requires federal agency compliance. To comply with this requirement, management identified BMPs in the White River RMP that would be applied to federal actions to reduce pollutant loadings. The White River ROD/RMP, Appendix B lists these as conditions of approval and are applied when applicable, to help minimize surface disturbing impacts.

*Concern:* BLM provides no data indicating compliance with the CWA's Storm Water Pollution Prevention Plan provisions for well projects over 5.0 acres (all seven wells are over 5 acres) and for pipeline right of ways and roads over 1.0 acre

*Response:* In compliance with the provisions of the Colorado Water Quality Control Act, as amended (25-8-101) and the Federal Water Pollution Control Act, as amended (33 U.S.C. 1251), the Colorado Department of Public Health and Environment (CDPHE), Water Quality Control Division requires all light industrial activities disturbing one acre or more to obtain a Stormwater Discharge Permit (see CFR Title 40 Part 122 Stormwater Regulations). Disturbance associated with oil and gas development is considered a light industrial activity by CDPHE. As industrial dischargers, applicants are required to obtain a permit authorizing the discharge of non-point source runoff from the proposed sites. Submitted with the application is a Stormwater Discharge Plan, required to show how the applicant will prevent increases to sediment yields through the use of BMPs.

## **6. ISSUE: Coal Bed Methane.**

*Concern:* The EA fails to adequately consider impacts of coal bed methane development.

*Response:* Coal Bed Methane is not the specified target. If the operator were to propose completion in a formation other than that targeted, and subsequently approved in the Application

for Permit to Drill, he would be required to submit a request via Sundry Notice. Any such request and its impacts would then be analyzed.

## **7. ISSUE: Primitive Recreation.**

*Concern:* The EA fails to adequately consider impacts to primitive recreation.

*Response:* Although it does not specifically mention primitive recreation, the Recreation section of the EA (page 15) does sufficiently address impacts to camping, hiking, and other forms of dispersed recreation. These are types of primitive recreation.

## **Appendix C: Conditions of Approval**

The Conditions of Approval for each individual application for permit to drill (APD) are attached as tabs to this appendix:

- Tab 1: Conditions of Approval for APD for Well #1002
- Tab 2: Conditions of Approval for APD for Well #1003
- Tab 3: Conditions of Approval for APD for Well #1004
- Tab 4: Conditions of Approval for APD for Well #1005
- Tab 5: Conditions of Approval for APD for Well #1007
- Tab 6: Conditions of Approval for APD for Well #1008
- Tab 7: Conditions of Approval for APD for Well #1009

CONDITIONS OF APPROVAL FOR APPLICATION FOR  
PERMIT TO DRILL

Operator: El Paso Production Oil & Gas Company      Well No.: SER 1002  
Location: T1N, R101W, 6<sup>th</sup>P.M., NENW sec. 33      Lease No.: COC-64236  
The Bureau of Land Management, White River Resource Area Office, address and home  
telephone contacts are:

Address:	73544 Hwy 64, Meeker, Colorado 81641
Office Phone:	(970) 878-3800
Office Fax:	(970) 878-3805
Natural Resource Specialist:	Keith Whitaker
Fluid Minerals Supervisor:	Vern Rholl
Petroleum Engineering Tech:	Bill Kraft
Petroleum Engineer:	Marty O'Mara

All lease and/or unit operations are to be conducted in such a manner to ensure full compliance with the applicable laws, regulations (43 CFR Part 3160), Onshore Orders, Notices to Lessees, and the approved plan of operations. Approval of this application does not relieve you of your responsibility to obtain other required federal, state, or local permits.

This application is valid for a period of one year from the date of approval. Any requests for extensions must be submitted prior to the end of the one year period. If the application terminates, any surface disturbance created under the application must be rehabilitated in accordance with the approved plan within 90 days of termination, unless otherwise approved by the authorized officer. An expired application may be reinstated at the authorized officer's discretion, however, future operations may require a new application to be filed for approval.

You have the right to request a State Director Review (SDR) of the decision to approve this APD with the attached conditions in accordance with 43 CFR 3165.3(b). A request for a SDR must occur prior to filing an appeal with the Interior Board of Land Appeals (IBLA). Your request for a SDR and all supporting documentation must be filed with the State Director (CO-922), 2850 Youngfield St., Lakewood, Colorado 80215, within 20 business days of receipt of this letter.

**I.      CONDITIONS OF APPROVAL SPECIFIC TO SER 1002**

1. The operator shall contact the BLM Office at (970) 878-3800 24 hours prior to the following operations:
  - spudding (including dry hole digger or rat hole rigs)
  - running and cementing all casing strings
  - pressure testing of BOPE or any casing string
  - surface reclamation work

2. All permanent (onsite for six [6] months or longer) structures, facilities and equipment placed onsite shall painted Munsell Soil Color Chart Juniper Green or equivalent within six months of installation.
3. When preparing the site, all suitable topsoil should be stripped from the surface of the location and stockpiled for reclamation once the location is abandoned. When topsoil is stockpiled on slopes exceeding five percent, construct a berm or trench below the stockpile.
4. All sediment control structures or disposal pits, will be designed to contain a 100-year, 6- hour storm event. Storage volumes within these structures will have a design life of 25 years.
5. All activity shall cease when soils or road surfaces become saturated to a depth of three inches unless otherwise approved by the Authorized Officer.
6. Eliminate undesirable berms that retard normal surface runoff.
7. Provide vegetative or artificial stabilization of cut and fill slopes in the design process. Avoid establishment of vegetation where it inhibits drainage from the road surface or where it restricts safety or maintenance.
8. Disturbed areas shall be restored as nearly as possible to its original contour.
9. All disturbed sites shall be promptly reclaimed to the satisfaction of the Field Office Manager.
10. Seed all disturbed surfaces with the following seed mixture:
 

SPECIES (VARIETY)	LBS. PLS/ACRE
Western wheatgrass (Rosanna)	2
Pubescent wheatgrass (Luna)	3
Crested wheatgrass (Nordan)	2
Orchardgrass (Paiute)	1
Indian ricegrass (Nezpar)	1
Fourwing saltbush (Wytana)	1
Alternates: Alfalfa (Nomad or Ladak)	
11. Distribute topsoil evenly over the location and prepare a seedbed by disking or ripping. Drill seed on contour at a depth no greater than 1/2 inch. In areas that cannot be drilled, broadcast at double the seeding rate and harrow seed into the soil.
12. Use seed that is certified and free of noxious weeds. Seed certification tags must be

submitted to the Field Office Manager.

13. Application of herbicides must be under field supervision of an EPA-certified pesticide applicator. Herbicides must be registered by the EPA, and application proposals must be approved by the BLM.
14. Applicants must submit pesticide use proposals to BLM in the fall of the year prior to anticipated spring/summer application.
15. The applicant shall spread water on road surfaces to control fugitive dust as required by the authorized officer.
16. The applicant must inventory all well pad locations and access routes that will encounter bedrock outcrops for fossil resources, and submit a report to BLM with recommended mitigation prior to the beginning of construction. A BLM approved paleontologist must monitor all excavation into the underlying bedrock for construction of roads, well pad leveling, and excavation of reserve/blooiie pits.
17. No load lines shall extend outside the tank dike.
18. The reserve pit shall have a minimum of two feet of freeboard at all times. Freeboard shall be measured from the top of the pit liner to the surface of the water in the reserve pit.
19. All produced fluids including dehydrator vent/condensate line effluent must be contained. All production pits must be fenced with woven wire.
20. The concentration of hazardous substances in the reserve pit at the time of pit backfilling must not exceed the standards set forth in CERCLA.
21. All open-vent exhaust stacks associated with heater-treater, separator and dehydrator units shall be installed to prevent birds and bats from entering the exhaust stacks and to the extent practical to discourage perching and nesting.
22. Reclamation should be implemented concurrent with construction and site operations to the fullest extent possible. Final reclamation actions shall be initiated within six months of the termination of operations unless otherwise approved in writing by the Authorized Officer.
23. Development activities may be delayed during the period March 1 to May 1 for wild horse foaling. Also, the applicant may be required to augment lost wild horse winter range by enhancement of approximately 300 acres of pinyon/juniper woodland by removal and seeding. The enhancement area will be determined and laid out by the BLM.



24. Water bars or dikes shall be constructed on all of the rights-of-way, and across the full width of the disturbed area, as directed by the authorized officer.
25. The operator shall be required to collect and properly dispose of any solid wastes generated by this project.
26. Slopes within the disturbed area shall be stabilized by non-vegetative practices designed to hold the soil in place and minimize erosion. Vegetative cover shall be reestablished to increase infiltration and provide additional protection from erosion.
27. When erosion is anticipated, sediment barriers shall be constructed to slow runoff, allow deposition of sediment, and prevent it from leaving the site. In addition, straining or filtration mechanisms may also contribute to sediment removal from runoff.

## II. NOTICES

### A. DRILLING PLAN

1. All operations, unless otherwise specifically approved in the APD, must be conducted in accordance with Onshore Oil and Gas Order No. 2; Drilling Operations.
2. One copy of all charted BOPE tests, logs, core descriptions, core analyses, well-test data, geologic summaries, sample descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed with the completion report, Form 3160-4. This completion report shall be filed within 30 days of completion of operations and submitted prior to or along with the first production notice.
3. The United States of America considers the development of groundwater resources to be necessary and frequently indispensable to effective land management. Therefore, any groundwater intercepted by the party conducting mineral exploration shall be reported to the District Manager immediately including approximate quantities and a sample in a sealed quart container. The United States shall have the first opportunity to file state water right for the intercepted groundwater. The undersigned may file for water right only with a written waiver from the District Manager.
4. To protect the water and energy resources in the formation that are penetrated, the production casing shall be cemented to the surface casing.

### B. SURFACE USE PLAN OF OPERATIONS

1. In accordance with Onshore Order #1, III.E and ARPA 1979 as amended (AL, 96-95), the operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the Authorized Officer (AO). Within five working days the AO will inform the operator as to:
  - whether the materials appear eligible for the National Register of Historic Places;

- the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and,

- a timeframe for the AO to complete an expedited review under 36 CFR 800-11 to confirm, through the State Historic Preservation Officer, that the finding of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation cost. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume construction.

2. Pursuant to 43 CFR 10.4(g) the holder of this authorization must notify the authorized officer, by telephone, with written confirmation, immediately upon the discovery of human remains, funerary items, sacred objects, or objects of cultural patrimony. Further, pursuant to 43 CFR 10.4(c) and (d), you must stop activities in the vicinity of the discovery and protect it for 30 days or until notified to proceed by the authorized officer.

Operator: El Paso Production Oil & Gas Company      Well No.: SER 1003  
Location: T1N, R101W, 6<sup>th</sup>P.M., NESE sec. 33      Lease No.: COC-64236  
The Bureau of Land Management, White River Resource Area Office, address and home  
telephone contacts are:

All lease and/or unit operations are to be conducted in such a manner to ensure full compliance with the applicable laws, regulations (43 CFR Part 3160), Onshore Orders, Notices to Lessees, and the approved plan of operations. Approval of this application does not relieve you of your responsibility to obtain other required federal, state, or local permits.

This application is valid for a period of one year from the date of approval. Any requests for extensions must be submitted prior to the end of the one year period. If the application terminates, any surface disturbance created under the application must be rehabilitated in accordance with the approved plan within 90 days of termination, unless otherwise approved by the authorized officer. An expired application may be reinstated at the authorized officer's discretion, however, future operations may require a new application to be filed for approval.

You have the right to request a State Director Review (SDR) of the decision to approve this APD with the attached conditions in accordance with 43 CFR 3165.3(b). A request for a SDR must occur prior to filing an appeal with the Interior Board of Land Appeals (IBLA). Your request for a SDR and all supporting documentation must be filed with the State Director (CO-922), 2850 Youngfield St., Lakewood, Colorado 80215, within 20 business days of receipt of this letter.

## I. CONDITIONS OF APPROVAL SPECIFIC TO SER 1003

1. The operator shall contact the BLM Office at (970) 878-3800 24 hours prior to the following operations:
  - spudding (including dry hole digger or rat hole rigs)
  - running and cementing all casing strings
  - pressure testing of BOPE or any casing string
  - surface reclamation work

2. All permanent (onsite for six [6] months or longer) structures, facilities and equipment placed onsite shall painted Munsell Soil Color Chart Juniper Green or equivalent within six months of installation.
3. When preparing the site, all suitable topsoil should be stripped from the surface of the location and stockpiled for reclamation once the location is abandoned. When topsoil is stockpiled on slopes exceeding five percent, construct a berm or trench below the stockpile.
4. All sediment control structures or disposal pits, will be designed to contain a 100-year, 6- hour storm event. Storage volumes within these structures will have a design life of 25 years.
5. All activity shall cease when soils or road surfaces become saturated to a depth of three inches unless otherwise approved by the Authorized Officer.
6. Eliminate undesirable berms that retard normal surface runoff.
7. Provide vegetative or artificial stabilization of cut and fill slopes in the design process. Avoid establishment of vegetation where it inhibits drainage from the road surface or where it restricts safety or maintenance.
8. Disturbed areas shall be restored as nearly as possible to its original contour.
9. All disturbed sites shall be promptly reclaimed to the satisfaction of the Field Office Manager.
10. Seed all disturbed surfaces with the following seed mixture:
 

SPECIES (VARIETY)	LBS. PLS/ACRE
Western wheatgrass (Rosanna)	2
Pubescent wheatgrass (Luna)	3
Crested wheatgrass (Nordan)	2
Orchardgrass (Paiute)	1
Indian ricegrass (Nezpar)	1
Fourwing saltbush (Wytana)	1
Alternates: Alfalfa (Nomad or Ladak)	
11. Distribute topsoil evenly over the location and prepare a seedbed by disking or ripping. Drill seed on contour at a depth no greater than 1/2 inch. In areas that cannot be drilled, broadcast at double the seeding rate and harrow seed into the soil.
12. Use seed that is certified and free of noxious weeds. Seed certification tags must be submitted to the Field Office Manager.

13. Application of herbicides must be under field supervision of an EPA-certified pesticide applicator. Herbicides must be registered by the EPA, and application proposals must be approved by the BLM.
14. Applicants must submit pesticide use proposals to BLM in the fall of the year prior to anticipated spring/summer application.
15. The applicant shall spread water on road surfaces to control fugitive dust as required by the authorized officer.
16. The applicant must inventory all well pad locations and access routes that will encounter bedrock outcrops for fossil resources, and submit a report to BLM with recommended mitigation prior to the beginning of construction. A BLM approved paleontologist must monitor all excavation into the underlying bedrock for construction of roads, well pad leveling, and excavation of reserve/blooiie pits.
17. No load lines shall extend outside the tank dike.
18. The reserve pit shall have a minimum of two feet of freeboard at all times. Freeboard shall be measured from the top of the pit liner to the surface of the water in the reserve pit.
19. All produced fluids including dehydrator vent/condensate line effluent must be contained. All production pits must be fenced with woven wire.
20. The concentration of hazardous substances in the reserve pit at the time of pit backfilling must not exceed the standards set forth in CERCLA.
21. All open-vent exhaust stacks associated with heater-treater, separator and dehydrator units shall be installed to prevent birds and bats from entering the exhaust stacks and to the extent practical to discourage perching and nesting.
22. Reclamation should be implemented concurrent with construction and site operations to the fullest extent possible. Final reclamation actions shall be initiated within six months of the termination of operations unless otherwise approved in writing by the Authorized Officer.
23. Development activities may be delayed during the period March 1 to May 1 for wild horse foaling. Also, the applicant may be required to augment lost wild horse winter range by enhancement of approximately 300 acres of pinyon/juniper woodland by removal and seeding. The enhancement area will be determined and laid out by the BLM.
24. Water bars or dikes shall be constructed on all of the rights-of-way, and across the full

width of the disturbed area, as directed by the authorized officer.

25. The operator shall be required to collect and properly dispose of any solid wastes generated by this project.
26. Slopes within the disturbed area shall be stabilized by non-vegetative practices designed to hold the soil in place and minimize erosion. Vegetative cover shall be reestablished to increase infiltration and provide additional protection from erosion.
27. When erosion is anticipated, sediment barriers shall be constructed to slow runoff, allow deposition of sediment, and prevent it from leaving the site. In addition, straining or filtration mechanisms may also contribute to sediment removal from runoff.
28. Avoid cultural find 5RB4591 during construction of the access road.
29. A right-of-way will be required for the portion of the access road that crosses lease boundaries.
30. Leave a buffer line of trees on the south side of the well pad between the rim of the canyon and the well pad to prevent notching of the skyline.

## II. NOTICES

### A. DRILLING PLAN

1. All operations, unless otherwise specifically approved in the APD, must be conducted in accordance with Onshore Oil and Gas Order No. 2; Drilling Operations.
2. One copy of all charted BOPE tests, logs, core descriptions, core analyses, well-test data, geologic summaries, sample descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed with the completion report, Form 3160-4. This completion report shall be filed within 30 days of completion of operations and submitted prior to or along with the first production notice.
3. The United States of America considers the development of groundwater resources to be necessary and frequently indispensable to effective land management. Therefore, any groundwater intercepted by the party conducting mineral exploration shall be reported to the District Manager immediately including approximate quantities and a sample in a sealed quart container. The United States shall have the first opportunity to file state water right for the intercepted groundwater. The undersigned may file for water right only with a written waiver from the District Manager.
4. To protect the water and energy resources in the formation that are penetrated, the production casing shall be cemented to the surface casing.

### B. SURFACE USE PLAN OF OPERATIONS

1. In accordance with Onshore Order #1, III.E and ARPA 1979 as amended (AL, 96-95), the operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the Authorized Officer (AO). Within five working days the AO will inform the operator as to:



- whether the materials appear eligible for the National Register of Historic Places;

- the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and,

- a timeframe for the AO to complete an expedited review under 36 CFR 800-11 to confirm, through the State Historic Preservation Officer, that the finding of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation cost. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume construction.

2. Pursuant to 43 CFR 10.4(g) the holder of this authorization must notify the authorized officer, by telephone, with written confirmation, immediately upon the discovery of human remains, funerary items, sacred objects, or objects of cultural patrimony. Further, pursuant to 43 CFR 10.4(c) and (d), you must stop activities in the vicinity of the discovery and protect it for 30 days or until notified to proceed by the authorized officer.

Operator: El Paso Production Oil & Gas Company      Well No.: SER 1004  
Location: T1S, R101W, 6<sup>th</sup>P.M., Lot 16, sec. 5      Lease No.: COC-63280  
The Bureau of Land Management, White River Resource Area Office, address and home  
telephone contacts are:

All lease and/or unit operations are to be conducted in such a manner to ensure full compliance with the applicable laws, regulations (43 CFR Part 3160), Onshore Orders, Notices to Lessees, and the approved plan of operations. Approval of this application does not relieve you of your responsibility to obtain other required federal, state, or local permits.

This application is valid for a period of one year from the date of approval. Any requests for extensions must be submitted prior to the end of the one year period. If the application terminates, any surface disturbance created under the application must be rehabilitated in accordance with the approved plan within 90 days of termination, unless otherwise approved by the authorized officer. An expired application may be reinstated at the authorized officer's discretion, however, future operations may require a new application to be filed for approval.

You have the right to request a State Director Review (SDR) of the decision to approve this APD with the attached conditions in accordance with 43 CFR 3165.3(b). A request for a SDR must occur prior to filing an appeal with the Interior Board of Land Appeals (IBLA). Your request for a SDR and all supporting documentation must be filed with the State Director (CO-922), 2850 Youngfield St., Lakewood, Colorado 80215, within 20 business days of receipt of this letter.

## I. CONDITIONS OF APPROVAL SPECIFIC TO SER 1004

1. The operator shall contact the BLM Office at (970) 878-3800 24 hours prior to the following operations:
  - spudding (including dry hole digger or rat hole rigs)
  - running and cementing all casing strings
  - pressure testing of BOPE or any casing string
  - surface reclamation work

2. All permanent (onsite for six [6] months or longer) structures, facilities and equipment placed onsite shall painted Munsell Soil Color Chart Juniper Green or equivalent within six months of installation.
3. When preparing the site, all suitable topsoil should be stripped from the surface of the location and stockpiled for reclamation once the location is abandoned. When topsoil is stockpiled on slopes exceeding five percent, construct a berm or trench below the stockpile.
4. All sediment control structures or disposal pits, will be designed to contain a 100-year, 6- hour storm event. Storage volumes within these structures will have a design life of 25 years.
5. All activity shall cease when soils or road surfaces become saturated to a depth of three inches unless otherwise approved by the Authorized Officer.
6. Eliminate undesirable berms that retard normal surface runoff.
7. Provide vegetative or artificial stabilization of cut and fill slopes in the design process. Avoid establishment of vegetation where it inhibits drainage from the road surface or where it restricts safety or maintenance.
8. Disturbed areas shall be restored as nearly as possible to its original contour.
9. All disturbed sites shall be promptly reclaimed to the satisfaction of the Field Office Manager.
10. Seed all disturbed surfaces with the following seed mixture:

SPECIES (VARIETY)	LBS. PLS/ACRE
Western wheatgrass (Rosanna)	2
Pubescent wheatgrass (Luna)	3
Crested wheatgrass (Nordan)	2
Orchardgrass (Paiute)	1
Indian ricegrass (Nezpar)	1
Fourwing saltbush (Wytana)	1
Alternates: Alfalfa (Nomad or Ladak)	
11. Distribute topsoil evenly over the location and prepare a seedbed by disking or ripping. Drill seed on contour at a depth no greater than 1/2 inch. In areas that cannot be drilled, broadcast at double the seeding rate and harrow seed into the soil.
12. Use seed that is certified and free of noxious weeds. Seed certification tags must be

submitted to the Field Office Manager.

13. Application of herbicides must be under field supervision of an EPA-certified pesticide applicator. Herbicides must be registered by the EPA, and application proposals must be approved by the BLM.
14. Applicants must submit pesticide use proposals to BLM in the fall of the year prior to anticipated spring/summer application.
15. The applicant shall spread water on road surfaces to control fugitive dust as required by the authorized officer.
16. The applicant must inventory all well pad locations and access routes that will encounter bedrock outcrops for fossil resources, and submit a report to BLM with recommended mitigation prior to the beginning of construction. A BLM approved paleontologist must monitor all excavation into the underlying bedrock for construction of roads, well pad leveling, and excavation of reserve/blooiie pits.
17. No load lines shall extend outside the tank dike.
18. The reserve pit shall have a minimum of two feet of freeboard at all times. Freeboard shall be measured from the top of the pit liner to the surface of the water in the reserve pit.
19. All produced fluids including dehydrator vent/condensate line effluent must be contained. All production pits must be fenced with woven wire.
20. The concentration of hazardous substances in the reserve pit at the time of pit backfilling must not exceed the standards set forth in CERCLA.
21. All open-vent exhaust stacks associated with heater-treater, separator and dehydrator units shall be installed to prevent birds and bats from entering the exhaust stacks and to the extent practical to discourage perching and nesting.
22. Reclamation should be implemented concurrent with construction and site operations to the fullest extent possible. Final reclamation actions shall be initiated within six months of the termination of operations unless otherwise approved in writing by the Authorized Officer.
23. Development activities may be delayed during the period March 1 to May 1 for wild horse foaling. Also, the applicant may be required to augment lost wild horse winter range by enhancement of approximately 300 acres of pinyon/juniper woodland by removal and seeding. The enhancement area will be determined and laid out by the BLM.

24. Water bars or dikes shall be constructed on all of the rights-of-way, and across the full width of the disturbed area, as directed by the authorized officer.
25. The operator shall be required to collect and properly dispose of any solid wastes generated by this project.
26. Slopes within the disturbed area shall be stabilized by non-vegetative practices designed to hold the soil in place and minimize erosion. Vegetative cover shall be reestablished to increase infiltration and provide additional protection from erosion.
27. When erosion is anticipated, sediment barriers shall be constructed to slow runoff, allow deposition of sediment, and prevent it from leaving the site. In addition, straining or filtration mechanisms may also contribute to sediment removal from runoff.

## Conditions of Approval

### II. NOTICES

#### A. DRILLING PLAN

1. All operations, unless otherwise specifically approved in the APD, must be conducted in accordance with Onshore Oil and Gas Order No. 2; Drilling Operations.
2. One copy of all charted BOPE tests, logs, core descriptions, core analyses, well-test data, geologic summaries, sample descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed with the completion report, Form 3160-4. This completion report shall be filed within 30 days of completion of operations and submitted prior to or along with the first production notice.
3. The United States of America considers the development of groundwater resources to be necessary and frequently indispensable to effective land management. Therefore, any groundwater intercepted by the party conducting mineral exploration shall be reported to the District Manager immediately including approximate quantities and a sample in a sealed quart container. The United States shall have the first opportunity to file state water right for the intercepted groundwater. The undersigned may file for water right only with a written waiver from the District Manager.
4. To protect the water and energy resources in the formation that are penetrated, the production casing shall be cemented to the surface casing.

#### B. SURFACE USE PLAN OF OPERATIONS

1. In accordance with Onshore Order #1, III.E and ARPA 1979 as amended (AL, 96-95), the operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the Authorized Officer (AO). Within five working days the AO will inform the operator as to:

## Conditions of Approval

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and,
- a timeframe for the AO to complete an expedited review under 36 CFR 800-11 to confirm, through the State Historic Preservation Officer, that the finding of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation cost. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume construction.

2. Pursuant to 43 CFR 10.4(g) the holder of this authorization must notify the authorized officer, by telephone, with written confirmation, immediately upon the discovery of human remains, funerary items, sacred objects, or objects of cultural patrimony. Further, pursuant to 43 CFR 10.4(c) and (d), you must stop activities in the vicinity of the discovery and protect it for 30 days or until notified to proceed by the authorized officer.

Operator: El Paso Production Oil & Gas Company      Well No.: SER 1005  
Location: T1S, R101W, 6<sup>th</sup>P.M., Lot 18, sec. 4      Lease No.: COC-63279  
The Bureau of Land Management, White River Resource Area Office, address and home  
telephone contacts are:

All lease and/or unit operations are to be conducted in such a manner to ensure full compliance with the applicable laws, regulations (43 CFR Part 3160), Onshore Orders, Notices to Lessees, and the approved plan of operations. Approval of this application does not relieve you of your responsibility to obtain other required federal, state, or local permits.

This application is valid for a period of one year from the date of approval. Any requests for extensions must be submitted prior to the end of the one year period. If the application terminates, any surface disturbance created under the application must be rehabilitated in accordance with the approved plan within 90 days of termination, unless otherwise approved by the authorized officer. An expired application may be reinstated at the authorized officer's discretion, however, future operations may require a new application to be filed for approval.

You have the right to request a State Director Review (SDR) of the decision to approve this APD with the attached conditions in accordance with 43 CFR 3165.3(b). A request for a SDR must occur prior to filing an appeal with the Interior Board of Land Appeals (IBLA). Your request for a SDR and all supporting documentation must be filed with the State Director (CO-922), 2850 Youngfield St., Lakewood, Colorado 80215, within 20 business days of receipt of this letter.

## I. CONDITIONS OF APPROVAL SPECIFIC TO SER 1005

1. The operator shall contact the BLM Office at (970) 878-3800 24 hours prior to the following operations:
  - spudding (including dry hole digger or rat hole rigs)
  - running and cementing all casing strings
  - pressure testing of BOPE or any casing string
  - surface reclamation work



2. All permanent (onsite for six [6] months or longer) structures, facilities and equipment placed onsite shall painted Munsell Soil Color Chart Juniper Green or equivalent within six months of installation.
3. When preparing the site, all suitable topsoil should be stripped from the surface of the location and stockpiled for reclamation once the location is abandoned. When topsoil is stockpiled on slopes exceeding five percent, construct a berm or trench below the stockpile.
4. All sediment control structures or disposal pits, will be designed to contain a 100-year, 6- hour storm event. Storage volumes within these structures will have a design life of 25 years.
5. All activity shall cease when soils or road surfaces become saturated to a depth of three inches unless otherwise approved by the Authorized Officer.
6. Eliminate undesirable berms that retard normal surface runoff.
7. Provide vegetative or artificial stabilization of cut and fill slopes in the design process. Avoid establishment of vegetation where it inhibits drainage from the road surface or where it restricts safety or maintenance.
8. Disturbed areas shall be restored as nearly as possible to its original contour.
9. All disturbed sites shall be promptly reclaimed to the satisfaction of the Field Office Manager.
10. Seed all disturbed surfaces with the following seed mixture:
 

SPECIES (VARIETY)	LBS. PLS/ACRE
Western wheatgrass (Rosanna)	2
Pubescent wheatgrass (Luna)	3
Crested wheatgrass (Nordan)	2
Orchardgrass (Paiute)	1
Indian ricegrass (Nezpar)	1
Fourwing saltbush (Wytana)	1
Alternates: Alfalfa (Nomad or Ladak)	
11. Distribute topsoil evenly over the location and prepare a seedbed by disking or ripping. Drill seed on contour at a depth no greater than 1/2 inch. In areas that cannot be drilled, broadcast at double the seeding rate and harrow seed into the soil.
12. Use seed that is certified and free of noxious weeds. Seed certification tags must be

submitted to the Field Office Manager.

13. Application of herbicides must be under field supervision of an EPA-certified pesticide applicator. Herbicides must be registered by the EPA, and application proposals must be approved by the BLM.
14. Applicants must submit pesticide use proposals to BLM in the fall of the year prior to anticipated spring/summer application.
15. The applicant shall spread water on road surfaces to control fugitive dust as required by the authorized officer.
16. The applicant must inventory all well pad locations and access routes that will encounter bedrock outcrops for fossil resources, and submit a report to BLM with recommended mitigation prior to the beginning of construction. A BLM approved paleontologist must monitor all excavation into the underlying bedrock for construction of roads, well pad leveling, and excavation of reserve/blooiie pits.
17. No load lines shall extend outside the tank dike.
18. The reserve pit shall have a minimum of two feet of freeboard at all times. Freeboard shall be measured from the top of the pit liner to the surface of the water in the reserve pit.
19. All produced fluids including dehydrator vent/condensate line effluent must be contained. All production pits must be fenced with woven wire.
20. The concentration of hazardous substances in the reserve pit at the time of pit backfilling must not exceed the standards set forth in CERCLA.
21. All open-vent exhaust stacks associated with heater-treater, separator and dehydrator units shall be installed to prevent birds and bats from entering the exhaust stacks and to the extent practical to discourage perching and nesting.
22. Reclamation should be implemented concurrent with construction and site operations to the fullest extent possible. Final reclamation actions shall be initiated within six months of the termination of operations unless otherwise approved in writing by the Authorized Officer.
23. Development activities may be delayed during the period March 1 to May 1 for wild horse foaling. Also, the applicant may be required to augment lost wild horse winter range by enhancement of approximately 300 acres of pinyon/juniper woodland by removal and seeding. The enhancement area will be determined and laid out by the

BLM.

24. Water bars or dikes shall be constructed on all of the rights-of-way, and across the full width of the disturbed area, as directed by the authorized officer.
25. The operator shall be required to collect and properly dispose of any solid wastes generated by this project.
26. Slopes within the disturbed area shall be stabilized by non-vegetative practices designed to hold the soil in place and minimize erosion. Vegetative cover shall be reestablished to increase infiltration and provide additional protection from erosion.
27. When erosion is anticipated, sediment barriers shall be constructed to slow runoff, allow deposition of sediment, and prevent it from leaving the site. In addition, straining or filtration mechanisms may also contribute to sediment removal from runoff.

## Conditions of Approval

### II. NOTICES

#### A. DRILLING PLAN

1. All operations, unless otherwise specifically approved in the APD, must be conducted in accordance with Onshore Oil and Gas Order No. 2; Drilling Operations.
2. One copy of all charted BOPE tests, logs, core descriptions, core analyses, well-test data, geologic summaries, sample descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed with the completion report, Form 3160-4. This completion report shall be filed within 30 days of completion of operations and submitted prior to or along with the first production notice.
3. The United States of America considers the development of groundwater resources to be necessary and frequently indispensable to effective land management. Therefore, any groundwater intercepted by the party conducting mineral exploration shall be reported to the District Manager immediately including approximate quantities and a sample in a sealed quart container. The United States shall have the first opportunity to file state water right for the intercepted groundwater. The undersigned may file for water right only with a written waiver from the District Manager.
4. To protect the water and energy resources in the formation that are penetrated, the production casing shall be cemented to the surface casing.

#### B. SURFACE USE PLAN OF OPERATIONS

1. In accordance with Onshore Order #1, III.E and ARPA 1979 as amended (AL, 96-95), the operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the Authorized Officer (AO). Within five working days the AO will inform the operator as to:

## Conditions of Approval

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and,
- a timeframe for the AO to complete an expedited review under 36 CFR 800-11 to confirm, through the State Historic Preservation Officer, that the finding of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation cost. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume construction.

2. Pursuant to 43 CFR 10.4(g) the holder of this authorization must notify the authorized officer, by telephone, with written confirmation, immediately upon the discovery of human remains, funerary items, sacred objects, or objects of cultural patrimony. Further, pursuant to 43 CFR 10.4(c) and (d), you must stop activities in the vicinity of the discovery and protect it for 30 days or until notified to proceed by the authorized officer.

Operator: El Paso Production Oil & Gas Company      Well No.: SER 1007  
Location: T1N, R101W, 6<sup>th</sup>P.M., SWSE, sec. 29      Lease No.: COC-64235  
The Bureau of Land Management, White River Resource Area Office, address and home  
telephone contacts are:

All lease and/or unit operations are to be conducted in such a manner to ensure full compliance with the applicable laws, regulations (43 CFR Part 3160), Onshore Orders, Notices to Lessees, and the approved plan of operations. Approval of this application does not relieve you of your responsibility to obtain other required federal, state, or local permits.

This application is valid for a period of one year from the date of approval. Any requests for extensions must be submitted prior to the end of the one year period. If the application terminates, any surface disturbance created under the application must be rehabilitated in accordance with the approved plan within 90 days of termination, unless otherwise approved by the authorized officer. An expired application may be reinstated at the authorized officer's discretion, however, future operations may require a new application to be filed for approval.

You have the right to request a State Director Review (SDR) of the decision to approve this APD with the attached conditions in accordance with 43 CFR 3165.3(b). A request for a SDR must occur prior to filing an appeal with the Interior Board of Land Appeals (IBLA). Your request for a SDR and all supporting documentation must be filed with the State Director (CO-922), 2850 Youngfield St., Lakewood, Colorado 80215, within 20 business days of receipt of this letter.

## I. CONDITIONS OF APPROVAL SPECIFIC TO SER 1007

1. The operator shall contact the BLM Office at (970) 878-3800 24 hours prior to the following operations:
  - spudding (including dry hole digger or rat hole rigs)
  - running and cementing all casing strings
  - pressure testing of BOPE or any casing string
  - surface reclamation work

2. All permanent (onsite for six [6] months or longer) structures, facilities and equipment placed onsite shall painted Munsell Soil Color Chart Juniper Green or equivalent within six months of installation.
3. When preparing the site, all suitable topsoil should be stripped from the surface of the location and stockpiled for reclamation once the location is abandoned. When topsoil is stockpiled on slopes exceeding five percent, construct a berm or trench below the stockpile.
4. All sediment control structures or disposal pits, will be designed to contain a 100-year, 6- hour storm event. Storage volumes within these structures will have a design life of 25 years.
5. All activity shall cease when soils or road surfaces become saturated to a depth of three inches unless otherwise approved by the Authorized Officer.
6. Eliminate undesirable berms that retard normal surface runoff.
7. Provide vegetative or artificial stabilization of cut and fill slopes in the design process. Avoid establishment of vegetation where it inhibits drainage from the road surface or where it restricts safety or maintenance.
8. Disturbed areas shall be restored as nearly as possible to its original contour.
9. All disturbed sites shall be promptly reclaimed to the satisfaction of the Field Office Manager.
10. Seed all disturbed surfaces with the following seed mixture:
 

SPECIES (VARIETY)	LBS. PLS/ACRE
Western wheatgrass (Rosanna)	2
Pubescent wheatgrass (Luna)	3
Crested wheatgrass (Nordan)	2
Orchardgrass (Paiute)	1
Indian ricegrass (Nezpar)	1
Fourwing saltbush (Wytana)	1
Alternates: Alfalfa (Nomad or Ladak)	
11. Distribute topsoil evenly over the location and prepare a seedbed by disking or ripping. Drill seed on contour at a depth no greater than 1/2 inch. In areas that cannot be drilled, broadcast at double the seeding rate and harrow seed into the soil.
12. Use seed that is certified and free of noxious weeds. Seed certification tags must be

submitted to the Field Office Manager.

13. Application of herbicides must be under field supervision of an EPA-certified pesticide applicator. Herbicides must be registered by the EPA, and application proposals must be approved by the BLM.
14. Applicants must submit pesticide use proposals to BLM in the fall of the year prior to anticipated spring/summer application.
15. The applicant shall spread water on road surfaces to control fugitive dust as required by the authorized officer.
16. The applicant must inventory all well pad locations and access routes that will encounter bedrock outcrops for fossil resources, and submit a report to BLM with recommended mitigation prior to the beginning of construction. A BLM approved paleontologist must monitor all excavation into the underlying bedrock for construction of roads, well pad leveling, and excavation of reserve/blooiie pits.
17. No load lines shall extend outside the tank dike.
18. The reserve pit shall have a minimum of two feet of freeboard at all times. Freeboard shall be measured from the top of the pit liner to the surface of the water in the reserve pit.
19. All produced fluids including dehydrator vent/condensate line effluent must be contained. All production pits must be fenced with woven wire.
20. The concentration of hazardous substances in the reserve pit at the time of pit backfilling must not exceed the standards set forth in CERCLA.
21. All open-vent exhaust stacks associated with heater-treater, separator and dehydrator units shall be installed to prevent birds and bats from entering the exhaust stacks and to the extent practical to discourage perching and nesting.
22. Reclamation should be implemented concurrent with construction and site operations to the fullest extent possible. Final reclamation actions shall be initiated within six months of the termination of operations unless otherwise approved in writing by the Authorized Officer.
23. Development activities may be delayed during the period March 1 to May 1 for wild horse foaling. Also, the applicant may be required to augment lost wild horse winter range by enhancement of approximately 300 acres of pinyon/juniper woodland by removal and seeding. The enhancement area will be determined and laid out by the



BLM.

24. Water bars or dikes shall be constructed on all of the rights-of-way, and across the full width of the disturbed area, as directed by the authorized officer.
25. The operator shall be required to collect and properly dispose of any solid wastes generated by this project.
26. Slopes within the disturbed area shall be stabilized by non-vegetative practices designed to hold the soil in place and minimize erosion. Vegetative cover shall be reestablished to increase infiltration and provide additional protection from erosion.
27. When erosion is anticipated, sediment barriers shall be constructed to slow runoff, allow deposition of sediment, and prevent it from leaving the site. In addition, straining or filtration mechanisms may also contribute to sediment removal from runoff.

## Conditions of Approval

### II. NOTICES

#### A. DRILLING PLAN

1. All operations, unless otherwise specifically approved in the APD, must be conducted in accordance with Onshore Oil and Gas Order No. 2; Drilling Operations.
2. One copy of all charted BOPE tests, logs, core descriptions, core analyses, well-test data, geologic summaries, sample descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed with the completion report, Form 3160-4. This completion report shall be filed within 30 days of completion of operations and submitted prior to or along with the first production notice.
3. The United States of America considers the development of groundwater resources to be necessary and frequently indispensable to effective land management. Therefore, any groundwater intercepted by the party conducting mineral exploration shall be reported to the District Manager immediately including approximate quantities and a sample in a sealed quart container. The United States shall have the first opportunity to file state water right for the intercepted groundwater. The undersigned may file for water right only with a written waiver from the District Manager.
4. To protect the water and energy resources in the formation that are penetrated, the production casing shall be cemented to the surface casing.

#### B. SURFACE USE PLAN OF OPERATIONS

1. In accordance with Onshore Order #1, III.E and ARPA 1979 as amended (AL, 96-95), the operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the Authorized Officer (AO). Within five working days the AO will inform the operator as to:

## Conditions of Approval

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and,
- a timeframe for the AO to complete an expedited review under 36 CFR 800-11 to confirm, through the State Historic Preservation Officer, that the finding of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation cost. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume construction.

2. Pursuant to 43 CFR 10.4(g) the holder of this authorization must notify the authorized officer, by telephone, with written confirmation, immediately upon the discovery of human remains, funerary items, sacred objects, or objects of cultural patrimony. Further, pursuant to 43 CFR 10.4(c) and (d), you must stop activities in the vicinity of the discovery and protect it for 30 days or until notified to proceed by the authorized officer.

CONDITIONS OF APPROVAL FOR APPLICATION FOR  
PERMIT TO DRILL

Operator: El Paso Production Oil & Gas Company      Well No.: SER 1008  
Location: T1S, R101W, 6<sup>th</sup>P.M., Lot 10, sec. 6      Lease No.: COC-63281

The Bureau of Land Management, White River Resource Area Office, address and home telephone contacts are:

Address: 73544 Hwy 64, Meeker, Colorado 81641  
Office Phone: (970) 878-3800  
Office Fax: (970) 878-3805  
Natural Resource Specialist: Keith Whitaker,  
Fluid Minerals Supervisor: Vern Rholl,  
Petroleum Engineering Tech: Bill Kraft,  
Petroleum Engineer: Marty O'Mara,

All lease and/or unit operations are to be conducted in such a manner to ensure full compliance with the applicable laws, regulations (43 CFR Part 3160), Onshore Orders, Notices to Lessees, and the approved plan of operations. Approval of this application does not relieve you of your responsibility to obtain other required federal, state, or local permits.

This application is valid for a period of one year from the date of approval. Any requests for extensions must be submitted prior to the end of the one year period. If the application terminates, any surface disturbance created under the application must be rehabilitated in accordance with the approved plan within 90 days of termination, unless otherwise approved by the authorized officer. An expired application may be reinstated at the authorized officer's discretion, however, future operations may require a new application to be filed for approval.

You have the right to request a State Director Review (SDR) of the decision to approve this APD with the attached conditions in accordance with 43 CFR 3165.3(b). A request for a SDR must occur prior to filing an appeal with the Interior Board of Land Appeals (IBLA). Your request for a SDR and all supporting documentation must be filed with the State Director (CO-922), 2850 Youngfield St., Lakewood, Colorado 80215, within 20 business days of receipt of this letter.

**I. CONDITIONS OF APPROVAL SPECIFIC TO SER 1008**

1. The operator shall contact the BLM Office at (970) 878-3800 24 hours prior to the following operations:
  - spudding (including dry hole digger or rat hole rigs)
  - running and cementing all casing strings
  - pressure testing of BOPE or any casing string

- surface reclamation work

2. All permanent (onsite for six [6] months or longer) structures, facilities and equipment placed onsite shall painted Munsell Soil Color Chart Juniper Green or equivalent within six months of installation.
3. When preparing the site, all suitable topsoil should be stripped from the surface of the location and stockpiled for reclamation once the location is abandoned. When topsoil is stockpiled on slopes exceeding five percent, construct a berm or trench below the stockpile.
4. All sediment control structures or disposal pits, will be designed to contain a 100-year, 6- hour storm event. Storage volumes within these structures will have a design life of 25 years.
5. All activity shall cease when soils or road surfaces become saturated to a depth of three inches unless otherwise approved by the Authorized Officer.
6. Eliminate undesirable berms that retard normal surface runoff.
7. Provide vegetative or artificial stabilization of cut and fill slopes in the design process. Avoid establishment of vegetation where it inhibits drainage from the road surface or where it restricts safety or maintenance.
8. Disturbed areas shall be restored as nearly as possible to its original contour.
9. All disturbed sites shall be promptly reclaimed to the satisfaction of the Field Office Manager.
10. Seed all disturbed surfaces with the following seed mixture:

SPECIES (VARIETY)	LBS. PLS/ACRE
Siberian wheatgrass (P27)	3
Russian wildrye (Bozoisky)	2
Crested wheatgrass (Hycrest)	3

Alternates: Yellow sweetclover,  
Fourwing saltbush, Nutall's saltbush,  
Winterfat, Annual Sunflower, Western  
wheatgrass

11. Distribute topsoil evenly over the location and prepare a seedbed by disking or ripping. Drill seed on contour at a depth no greater than 1/2 inch. In areas that cannot be drilled, broadcast at double the seeding rate and harrow seed into the soil.
12. Use seed that is certified and free of noxious weeds. Seed certification tags must be submitted to the Field Office Manager.
13. Application of herbicides must be under field supervision of an EPA-certified pesticide applicator. Herbicides must be registered by the EPA, and application proposals must be approved by the BLM.
14. Applicants must submit pesticide use proposals to BLM in the fall of the year prior to anticipated spring/summer application.
15. The applicant shall spread water on road surfaces to control fugitive dust as required by the authorized officer.
16. The applicant must inventory all well pad locations and access routes that will encounter bedrock outcrops for fossil resources, and submit a report to BLM with recommended mitigation prior to the beginning of construction. A BLM approved paleontologist must monitor all excavation into the underlying bedrock for construction of roads, well pad leveling, and excavation of reserve/blooiie pits.
17. No load lines shall extend outside the tank dike.
18. The reserve pit shall have a minimum of two feet of freeboard at all times. Freeboard shall be measured from the top of the pit liner to the surface of the water in the reserve pit.
19. All produced fluids including dehydrator vent/condensate line effluent must be contained. All production pits must be fenced with woven wire.
20. The concentration of hazardous substances in the reserve pit at the time of pit backfilling must not exceed the standards set forth in CERCLA.
21. All open-vent exhaust stacks associated with heater-treater, separator and dehydrator units shall be installed to prevent birds and bats from entering the exhaust stacks and to the extent practical to discourage perching and nesting.
22. Reclamation should be implemented concurrent with construction and site operations to the fullest extent possible. Final reclamation actions shall be initiated within six months of the termination of operations unless otherwise approved in writing by the Authorized Officer.

23. Development activities may be delayed during the period March 1 to May 1 for wild horse foaling. Also, the applicant may be required to augment lost wild horse winter range by enhancement of approximately 300 acres of pinyon/juniper woodland by removal and seeding. The enhancement area will be determined and laid out by the BLM.
24. Water bars or dikes shall be constructed on all of the rights-of-way, and across the full width of the disturbed area, as directed by the authorized officer.
25. The operator shall be required to collect and properly dispose of any solid wastes generated by this project.
26. Slopes within the disturbed area shall be stabilized by non-vegetative practices designed to hold the soil in place and minimize erosion. Vegetative cover shall be reestablished to increase infiltration and provide additional protection from erosion.
27. When erosion is anticipated, sediment barriers shall be constructed to slow runoff, allow deposition of sediment, and prevent it from leaving the site. In addition, straining or filtration mechanisms may also contribute to sediment removal from runoff.
28. A map showing the location of the historic road and the alternate access which must be used will be provided to the applicant. Site 5RB 4665 must be avoided by all construction and maintenance associated with well # 1008.
29. Avoid deposition of fill material into Douglas Creek from construction of well #1008.

## Conditions of Approval

### II. NOTICES

#### A. DRILLING PLAN

1. All operations, unless otherwise specifically approved in the APD, must be conducted in accordance with Onshore Oil and Gas Order No. 2; Drilling Operations.
2. One copy of all charted BOPE tests, logs, core descriptions, core analyses, well-test data, geologic summaries, sample descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed with the completion report, Form 3160-4. This completion report shall be filed within 30 days of completion of operations and submitted prior to or along with the first production notice.
3. The United States of America considers the development of groundwater resources to be necessary and frequently indispensable to effective land management. Therefore, any groundwater intercepted by the party conducting mineral exploration shall be reported to the District Manager immediately including approximate quantities and a sample in a sealed quart container. The United States shall have the first opportunity to file state water right for the intercepted groundwater. The undersigned may file for water right only with a written waiver from the District Manager.
4. To protect the water and energy resources in the formation that are penetrated, the production casing shall be cemented to the surface casing.

#### B. SURFACE USE PLAN OF OPERATIONS

1. In accordance with Onshore Order #1, III.E and ARPA 1979 as amended (AL, 96-95), the operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the Authorized Officer (AO). Within five working days the AO will inform the operator as to:



## Conditions of Approval

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and,
- a timeframe for the AO to complete an expedited review under 36 CFR 800-11 to confirm, through the State Historic Preservation Officer, that the finding of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation cost. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume construction.

2. Pursuant to 43 CFR 10.4(g) the holder of this authorization must notify the authorized officer, by telephone, with written confirmation, immediately upon the discovery of human remains, funerary items, sacred objects, or objects of cultural patrimony. Further, pursuant to 43 CFR 10.4(c) and (d), you must stop activities in the vicinity of the discovery and protect it for 30 days or until notified to proceed by the authorized officer.

CONDITIONS OF APPROVAL FOR APPLICATION FOR  
PERMIT TO DRILL

Operator: El Paso Production Oil & Gas Company      Well No.: SER 1009  
Location: T1S, R101W, 6<sup>th</sup>P.M., Lot 9, sec. 4      Lease No.: COC-63279

The Bureau of Land Management, White River Resource Area Office, address and home telephone contacts are:

Address: 73544 Hwy 64, Meeker, Colorado 81641  
Office Phone: (970) 878-3800  
Office Fax: (970) 878-3805  
Natural Resource Specialist: Keith Whitaker  
Fluid Minerals Supervisor: Vern Rholl,  
Petroleum Engineering Tech: Bill Kraft,  
Petroleum Engineer: Marty O'Mara

All lease and/or unit operations are to be conducted in such a manner to ensure full compliance with the applicable laws, regulations (43 CFR Part 3160), Onshore Orders, Notices to Lessees, and the approved plan of operations. Approval of this application does not relieve you of your responsibility to obtain other required federal, state, or local permits.

This application is valid for a period of one year from the date of approval. Any requests for extensions must be submitted prior to the end of the one year period. If the application terminates, any surface disturbance created under the application must be rehabilitated in accordance with the approved plan within 90 days of termination, unless otherwise approved by the authorized officer. An expired application may be reinstated at the authorized officer's discretion, however, future operations may require a new application to be filed for approval.

You have the right to request a State Director Review (SDR) of the decision to approve this APD with the attached conditions in accordance with 43 CFR 3165.3(b). A request for a SDR must occur prior to filing an appeal with the Interior Board of Land Appeals (IBLA). Your request for a SDR and all supporting documentation must be filed with the State Director (CO-922), 2850 Youngfield St., Lakewood, Colorado 80215, within 20 business days of receipt of this letter.

**I. CONDITIONS OF APPROVAL SPECIFIC TO SER 1009**

1. The operator shall contact the BLM Office at (970) 878-3800 24 hours prior to the following operations:
  - spudding (including dry hole digger or rat hole rigs)
  - running and cementing all casing strings
  - pressure testing of BOPE or any casing string

- surface reclamation work

2. All permanent (onsite for six [6] months or longer) structures, facilities and equipment placed onsite shall painted Munsell Soil Color Chart Juniper Green or equivalent within six months of installation.
3. When preparing the site, all suitable topsoil should be stripped from the surface of the location and stockpiled for reclamation once the location is abandoned. When topsoil is stockpiled on slopes exceeding five percent, construct a berm or trench below the stockpile.
4. All sediment control structures or disposal pits, will be designed to contain a 100-year, 6- hour storm event. Storage volumes within these structures will have a design life of 25 years.
5. All activity shall cease when soils or road surfaces become saturated to a depth of three inches unless otherwise approved by the Authorized Officer.
6. Eliminate undesirable berms that retard normal surface runoff.
7. Provide vegetative or artificial stabilization of cut and fill slopes in the design process. Avoid establishment of vegetation where it inhibits drainage from the road surface or where it restricts safety or maintenance.
8. Disturbed areas shall be restored as nearly as possible to its original contour.
9. All disturbed sites shall be promptly reclaimed to the satisfaction of the Field Office Manager.
10. Seed all disturbed surfaces with the following seed mixture:

SPECIES (VARIETY)	LBS. PLS/ACRE
Western wheatgrass (Rosanna)	2
Pubescent wheatgrass (Luna)	3
Crested wheatgrass (Nordan)	2
Orchardgrass (Paiute)	1
Indian ricegrass (Nezpar)	1
Fourwing saltbush (Wytana)	1
Alternates: Alfalfa (Nomad or Ladak)	
11. Distribute topsoil evenly over the location and prepare a seedbed by disking or ripping. Drill seed on contour at a depth no greater than 1/2 inch. In areas that cannot be drilled, broadcast at double the seeding rate and harrow seed into the soil.

12. Use seed that is certified and free of noxious weeds. Seed certification tags must be submitted to the Field Office Manager.
13. Application of herbicides must be under field supervision of an EPA-certified pesticide applicator. Herbicides must be registered by the EPA, and application proposals must be approved by the BLM.
14. Applicants must submit pesticide use proposals to BLM in the fall of the year prior to anticipated spring/summer application.
15. The applicant shall spread water on road surfaces to control fugitive dust as required by the authorized officer.
16. The applicant must inventory all well pad locations and access routes that will encounter bedrock outcrops for fossil resources, and submit a report to BLM with recommended mitigation prior to the beginning of construction. A BLM approved paleontologist must monitor all excavation into the underlying bedrock for construction of roads, well pad leveling, and excavation of reserve/blooiie pits.
17. No load lines shall extend outside the tank dike.
18. The reserve pit shall have a minimum of two feet of freeboard at all times. Freeboard shall be measured from the top of the pit liner to the surface of the water in the reserve pit.
19. All produced fluids including dehydrator vent/condensate line effluent must be contained. All production pits must be fenced with woven wire.
20. The concentration of hazardous substances in the reserve pit at the time of pit backfilling must not exceed the standards set forth in CERCLA.
21. All open-vent exhaust stacks associated with heater-treater, separator and dehydrator units shall be installed to prevent birds and bats from entering the exhaust stacks and to the extent practical to discourage perching and nesting.
22. Reclamation should be implemented concurrent with construction and site operations to the fullest extent possible. Final reclamation actions shall be initiated within six months of the termination of operations unless otherwise approved in writing by the Authorized Officer.
23. Development activities may be delayed during the period March 1 to May 1 for wild horse foaling. Also, the applicant may be required to augment lost wild horse winter

range by enhancement of approximately 300 acres of pinyon/juniper woodland by removal and seeding. The enhancement area will be determined and laid out by the BLM.

24. Water bars or dikes shall be constructed on all of the rights-of-way, and across the full width of the disturbed area, as directed by the authorized officer.
25. The operator shall be required to collect and properly dispose of any solid wastes generated by this project.
26. Slopes within the disturbed area shall be stabilized by non-vegetative practices designed to hold the soil in place and minimize erosion. Vegetative cover shall be reestablished to increase infiltration and provide additional protection from erosion.
27. When erosion is anticipated, sediment barriers shall be constructed to slow runoff, allow deposition of sediment, and prevent it from leaving the site. In addition, straining or filtration mechanisms may also contribute to sediment removal from runoff.

## Conditions of Approval

### II. NOTICES

#### A. DRILLING PLAN

1. All operations, unless otherwise specifically approved in the APD, must be conducted in accordance with Onshore Oil and Gas Order No. 2; Drilling Operations.
2. One copy of all charted BOPE tests, logs, core descriptions, core analyses, well-test data, geologic summaries, sample descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed with the completion report, Form 3160-4. This completion report shall be filed within 30 days of completion of operations and submitted prior to or along with the first production notice.
3. The United States of America considers the development of groundwater resources to be necessary and frequently indispensable to effective land management. Therefore, any groundwater intercepted by the party conducting mineral exploration shall be reported to the District Manager immediately including approximate quantities and a sample in a sealed quart container. The United States shall have the first opportunity to file state water right for the intercepted groundwater. The undersigned may file for water right only with a written waiver from the District Manager.
4. To protect the water and energy resources in the formation that are penetrated, the production casing shall be cemented to the surface casing.

#### B. SURFACE USE PLAN OF OPERATIONS

1. In accordance with Onshore Order #1, III.E and ARPA 1979 as amended (AL, 96-95), the operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the Authorized Officer (AO). Within five working days the AO will inform the operator as to:

## Conditions of Approval

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and,
- a timeframe for the AO to complete an expedited review under 36 CFR 800-11 to confirm, through the State Historic Preservation Officer, that the finding of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation cost. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume construction.

2. Pursuant to 43 CFR 10.4(g) the holder of this authorization must notify the authorized officer, by telephone, with written confirmation, immediately upon the discovery of human remains, funerary items, sacred objects, or objects of cultural patrimony. Further, pursuant to 43 CFR 10.4(c) and (d), you must stop activities in the vicinity of the discovery and protect it for 30 days or until notified to proceed by the authorized officer.